

# भारत का राजपत्र The Gazette of India

प्रसाधारण

EXTRAORDINARY

भाग I—पृष्ठ I

PART I—Section I

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF COMMERCE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 1st January 1968

SUBJECT:—Issue of import licences to Established Importers against the U.K. Kipping Loan.

No. 1-ITC(PN)/68.—The U.K. Government have made available, as part of the assistance for Indian economic development, a loan of £ 5 million (Rs. 9.0 crores). The loan is primarily to be used for improving the operating efficiency of those manufacturers in India who traditionally look to Britain for supplies of raw materials, spares and components and equipment.

2. It has been decided that a part of this loan of £ 5 million (Rs. 9.0 crores) may be used for issuing licences for import of spares to the representatives of British manufacturers of machinery and equipment, who have been receiving import licences as established importers to import spare parts needed for servicing and maintaining the equipment supplied by their principals. Licences will also be issued to established importers for import of spares for printing machinery manufactured in the U.K.

3. As the amount available for the purpose will be relatively small, preference will be given to importers of spare parts, who have commitments to service existing

4. The terms and conditions which will be applicable to the licences issued against this loan are given in Annexure II to this Public Notice.

5. The applications may be submitted in the prescribed form and manner to the Chief Controller of Imports and Exports, New Delhi (Special Cell) as early as possible and in any case not later than 31st January, 1968.

#### ANNEXURE I

##### *Proforma*

1. Name of the importer;
2. Quota certificate value;
3. Quota items.
- \*4. Value of actual import of items in 2 above during 1964-65, 1965-66 and 1966-67.
5. Name of the British manufacturers whom, where possible, the Indian importer is representing and the approximate value of each equipment in use in India.

(Signed) .....

For and on behalf of .....

\*This should be certified by the auditors.

If 1966-67 figures cannot be furnished, the figures for three financial years prior to the year 1966-67 may be given.

#### ANNEXURE II

*UK/India Non-Project Loan—1967 (Fifth Kipping Loan—£ 5 Mill)*

Schedule of conditions attached to the import licences issued under the U.K. Kipping Loan of £ 5 Million (UK/INDIA Non-Project Loan, 1967)

Licence No. ————— KQ (67), Dt. —————

1. The licence is issued with an initial validity period of twelve months only, and can be revalidated only on the basis indicated under conditions 2 below.

2. *Ordering.*—Firm orders for the full value of the licence must be placed on the suppliers in the United Kingdom, the Channel Islands or the Isle of Man within three months from the date of issue of the import licence.

The licence may be submitted to the Chief Controller of Imports and Exports for revalidation only after firm orders for the full value have been placed and on the basis of dates of delivery (Shipment) of goods indicated by the supplier

3. *Special points to be looked into while placing orders.*—

(1) *Origin of Goods* —While placing firm orders, the licensee must ensure by a provision in the contract that the goods purchased are or will be wholly produced or manufactured in the United Kingdom, the Channel Islands or the Isle of Man. Where the contract also provides for works and Services, in connection with the purchase of such goods, it must be ensured by a suitable provision in the contract that such works and services are or will be provided by persons ordinarily resident or carrying on business in the United Kingdom, the Channel Islands or the Isle of Man.

NOTE.—If, in any case, contract is placed on the Indian Agent of the foreign supplier the contract with the Agent should indicate the name and address of the U.K. Supplier to whom payments would be made by the C.A.O. London directly out of U.K. Credit. In such cases only that sterling portion of the contract will qualify for payment, out of U.K. Credit. Copies of such contracts (or of contracts placed by Indian Agents with U.K. Supplier if there are such separate contracts) should be sent to the Ministry of Finance, in the manner indicated in para 5 below:

(2) *Payments*.—Payments to the U.K., Channel Islands or Isle of Man suppliers against the import licence are to be effected in *sterling*, directly out of the U.K. Credit, through the Chief Accounting Officer, High Commission of India in London. The licence will NOT therefore, be valid for making remittance to the supplier from India. The licensee should, therefore, mention in the contract that payments to the U.K., Channel Islands or Isle of Man contractor are intended to be made in *sterling*, out of the U.K. Credit by production by the licensee of the documents prescribed in para 6 below to the Chief Accounting Officer, High Commission of India in London. A clause should be included in the contract to the effect that the contract is subject to and will become effective with the approval of the Ministry of Overseas Development of the U.K. Govt. to the payments being met out of the U.K. Credit. All payments must be completed by 30th June 1969.

4. *Report on Ordering*.—Within a week of the placing of contract, a report, in triplicate, should be sent by the Licensee to the Economic Aid Accounts Section (Shri P. C. Jain) Ministry of Finance, Jeewan Deep Building, Parliament Street, New Delhi with a copy to the Ministry of Industrial Development and Company Affairs (Deptt. of Industrial Development, Foreign Exchange Section), Udyog Bhavan, New Delhi, IN THE FORM set out in Appendix I to these conditions, duly signed.

5. *Notification of contracts and amendments thereto*.—Within a fortnight of placing of contracts, and in any event sufficiently in advance of the expected date of delivery of the goods, the licensee should forward (indicating their complete address) 3 (Three) copies of the contract to the Economic Aid Accounts Branch (Shri P. C. Jain, Asstt. Accounts Officer) Deptt. of Economic Affairs, Ministry of Finance, Jeewan Deep Building, Parliament Street, New Delhi accompanied by 3 copies of the "Contract Certificate" from the U.K., Channel Islands or Isle of Man Contractor IN THE FORM ATTACHED (APPENDIX II) duly signed by him. The Deptt. of Economic Affairs in the Ministry of Finance will arrange, through the Chief Accounting Officer, High Commission of India in London, to file a copy of the same with the Ministry of Overseas Development of the U.K. Government for obtaining their approval to the payments under the contract being made out of the U.K. Credit. As soon as possible after the approval of the U.K. Government to the contract is obtained or, in case, such approval is not granted by U.K. Govt., the Licensee and also the U.K. Supplier will be informed of the same directly by the Chief Accounting Officer, High Commission of India, London, and no further advice of contract approval/rejection will be issued by the Economic Affairs Deptt. of the Ministry of Finance.

The contract, as accepted by the Ministry of Overseas Development of U.K. Government will then be eligible for Direct Payments out of the Credit. As no payments can be made unless the contract is approved by the U.K. Government, it is most imperative for the licensee to ensure that copies of contracts/notifications alongwith suppliers' "Contract Certificate" are forwarded to the Ministry of Finance at the earliest and, in any case, well in advance of the initial payment. For this purpose, the "Contract Certificate" should be arranged to be obtained from the suppliers promptly at the time of acceptance of each contract.

If at any time a contract (being a contract in respect of which approval of U.K. Govt., has been obtained or is pending) is amended, or if liability is incurred or is to be incurred thereunder to a greater or lesser amount than the amount specified in the "Contract Certificates", the licensee should promptly forward to the Economic Aid Accounts Section of the Department of Economic Affairs in the Ministry of Finance the relevant supplementary or revised documents—copies of amendments contracts and revised "Contract Certificates"—so as to enable them to notify the same to the U.K. Govt. for obtaining their approval. Notifications of such amendments is very important, because the U.K. Govt. will make payments under a contract from time to time, only to the extent the contract has been approved by them.

As soon as approval to an amendment to the contract/order is obtained from the U.K. Govt., the importer will be notified of the same in the same manner as was done for the contract.

*Important Note*.—While forwarding the above documents to the Ministry of Finance it must be ensured that the complete number of the relative import licence, including the suffix "KQ(67)" is clearly indicated on each documents.

6. *Documentation*.—As and when payments to the U.K., Channel Islands or Isle of Man Contractor fall due in respect of a contract only approved in the manner indicated in para 5 above, the licensee should promptly arrange to collect the following documents and forward the same direct to the Chief Accounting Officer

(C.A.O.) High Commission of India, 55, Jermyn Street, London, for arranging necessary payments to the supplier out of the U K Credit—

- (i) Two copies of the original invoice of the concerned U K, Channel Island or the Isle of Man Contractor or three photostat copies or duplicates of such invoice, duly signed by the supplier.
- (ii) A specific authority from the importer to the C A O High Commission of India, London authorising him to make payment of the said invoice
- (iii) Two copies of a "Payment Certificate" in respect of each invoice from the concerned U K, Channel Islands or the Isle of Man Contractor IN THE FORM ATTACHED (APPENDIX III) and
- (iv) Evidence in the form of Treasury Challan that rupee equivalent of the sterling amount to be paid to the U K, Channel Islands or Isle of Man Contractor has already been deposited into the Government of India's account in the Reserve Bank/State Bank/Government Treasury. The rupee equivalent should be calculated at the rate of Rs. 18 18 per £ Sterling and the head of account to which the rupees are to be deposited will be: 'Section T—Deposits and Advances—Part II Deposits—Deposit not bearing interest—C. Other Deposits account—Civil Deposits—Deposits for Purchases abroad—Purchases under U K, India Project Loan Agreement of £ 7 Million (Fifth Kipping Loan of R 5 million)'. In the Treasury Challan, the Accountant General Central Revenue, New Delhi should be shown as the Accounts Officer who will adjust the Credit

NOTES: 1 In cases where rupee deposits are made outside Delhi/New Delhi one copy of the Treasury Challan should also be forwarded to the Accountant General Central Revenue New Delhi

2 It should be noted very carefully that the Exchange rate indicated above is the prevailing composite rate of exchange and any change in the same, as and when decided upon by the Govt of India will be notified to the Importers

3. While forwarding these documents, the number and date of the letter of C A O, High Commission of India, London, advising contract approval of the U K Govt should be indicated in the forwarding letter.

The Chief Accounting Officer, High Commission of India, London, will arrange to make payments accordingly to the U K, Channel Islands or the Isle of Man Contractor and advise the licensee and Economic Aid Accounts Section in the Deptt of Economic Affairs of the Ministry of Finance of the same

7. *Special and Important Conditions.*—(1) As payments to U K, Channel Islands or Isle of Man Suppliers are dependent upon timely submission of the above mentioned documents to the Chief Accounting Officer, High Commission of India, London, it is very necessary that these documents are collected and submitted in complete shape, to the Ministry of Finance or to the Chief Accounting Officer as the case may be, with the utmost expedition, so that the Suppliers may be paid promptly and are not put to any difficulty on this account. All possible steps, including such special steps as may be deemed necessary, should be taken in this regard to follow promptly and carefully the detailed procedure set out above so as to eliminate all delays in making payments to Suppliers. Although necessary steps are already being taken to arrange expeditious approval of the U K Govt. to the contracts filed with them, the whole process takes about 4 to 5 weeks from the receipt of documents in the Deptt. of Economic Affairs as the papers have to pass through various stages from here to London and wayback. Therefore, the importers should try to submit their papers at the earliest, and make enquiries from the Deptt. of Economic Affairs only in cases when they do not receive intimations of Contract Approval from London within a month of submission of the documents

(2) With reference to item 6 above, it is clarified that as payments to the contractors would fall due only upon shipment of the goods, the documents referred to therein should be collected only after the goods have been shipped by the foreign shippers. Thus in the contracts placed with the suppliers it can be stipulated that one set of documents—copies of the original invoices, the "Payment Certificate" in the prescribed form and also one copy of the ocean Bill of Lading should be airmailed to the importer in India direct without delay to enable the latter to arrange payments through the C A O, London, after making necessary rupee deposits in favour of the Govt. For this purpose copies of the invoices and Bill of

standing will suffice and the original shipping documents are not required. The original shipping documents should, therefore, be arranged to be collected by the importer from the shippers directly so as to enable them to take delivery of the goods. If necessary, and where the U.K. suppliers so insist, the importer can make arrangements with the U.K. suppliers for receiving original shipping documents through an Indian Bank to be released to the importer against proof of deposit of the rupee equivalents of the invoice value and of transmission of those documents to the C.A.O., London for making payments to the U.K. Suppliers out of the U.K. Credit. This arrangement will serve as a sufficient guarantee of payment to the U.K. Suppliers at the time of release of original shipping documents.

8. *Refund from U.K. Suppliers.*—If any money is received by the licensee from the U.K. Supplier or a guarantor as a refund then the same should be reported to Shri P. C. Jain, Assistant Accounts Officer, Department of Economic Affairs, Ministry of Finance, Jeewan Deep, Parliament Street, New Delhi, with a copy to the Ministry of Industrial Development and Company Affairs, (Department of Industrial Development, Foreign Exchange Section) Udyog Bhavan, New Delhi-11.

9. The licensee should apprise the supplier of any special provision in the Import licence which may affect the suppliers in carrying out the transaction.

10. It should be understood that the Government of India will not undertake any responsibility for disputes, if any, that may arise between the licensee and suppliers.

11. The licensee shall promptly comply with any directions, instructions or orders issued by the Government regarding any and all matters arising from or pertaining to the import licence and for meeting all obligations under the credit agreement.

12. *Breach or Violation.*—Any breach or violation of conditions set forth in the above clauses, will result in appropriate action under the Imports and Exports (Control) Act.

#### APPENDIX I

#### NOTIFICATION OF CONTRACT

*United Kingdom/India Non-Project Loan, 1967.*

To

The Ministry of Overseas Development,  
Eland House, Stage Place, London, S.W.1.

Notification of Contract No. \_\_\_\_\_

The following are details of a contract under which it is proposed that payments shall be made in accordance with the terms and conditions of the above loan.

1. Name and address of U.K. Contractor.
2. Date of Contract.
3. Name of Indian purchaser.
4. Short description of goods and/or works or services:
5. Value of Contract.
6. Terms of Payment.
7. Import licence No. & date:

Signed on behalf of Importer: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX II

## UNITED KINGDOM/INDIA NON-PROJECT LOAN, 1967

*Contract Certificate**Particulars of Contract.*

1. Date of Contract	Contract Number	Import Licence Number.	Date
2. Description of goods works and services to be supplied to the purchaser.	<i>United Kingdom Origin.</i>	<i>Non-United Kingdom Origin.</i>	
3. Total (Estimated) Contract price payable by Purchaser.	<i>Sterling</i>	<i>Other currency, if any.</i>	
4. Estimated amounts if any, paid or to be paid by the contractor in respect of goods or services of non-United Kingdom origin procured or to be procured by the Contractor for the purposes of the contract.	<i>Amount</i> In respect of non-United Kingdom goods and services. (a) Goods or materials. (b) Work to be done or services performed in Purchaser's Country (c) Know-how. (d) Plans, designs and technical documentation. (e) Other services.	<i>Description</i>	

5. I hereby declare that I am employed in the U.K. by the Contractor named below and have the authority to sign this certificate on behalf of the Contractor named below. I hereby undertake that in performance of the Contract, no goods or services which are not of United Kingdom origin will be supplied by the Contractor other than those specified in paragraph 4 above.

Signed: \_\_\_\_\_

Position held: \_\_\_\_\_

For and on behalf of: \_\_\_\_\_

(Name and address of Contractor) \_\_\_\_\_

Date: \_\_\_\_\_

NOTE : For the purpose of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

## APPENDIX III

## UNITED KINGDOM/INDIA NON-PROJECT LOAN, 1967

*Payment Certificate*

I hereby certify that—

- (i) the payments referred to in the invoices listed below, which or copies of which accompany this payment certificate, fall due and are to be made in respect of Contract No. \_\_\_\_\_ Dated \_\_\_\_\_ between the contractor named below and \_\_\_\_\_ (Purchaser) \_\_\_\_\_ and are in accordance with the particulars of this contract notified in the contract certificate signed on behalf of the said contractor on \_\_\_\_\_

Contractor's Invoice No.	Date	Name and address of Contractor.	Amount £	Short description of goods works and/or services.
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- (ii) there are included in the above mentioned invoices the following amounts in respect of the non-United Kingdom goods or services specified in paragraph 4 of the contract certificate:—

- (a) £
- (b) £
- (c) £
- (d) £
- (e) £

- (iii) apart from the amounts specified in paragraph (ii) all the amounts specified in paragraph (i) are payable in respect of goods and services of United Kingdom Origin.

- (iv) I have the authority to sign this certificate on behalf of the Contractor named below.

Signed \_\_\_\_\_

Position held \_\_\_\_\_

For and on behalf of; \_\_\_\_\_

Name and address of Contractor; \_\_\_\_\_

Date; \_\_\_\_\_

NOTE.—For the purpose of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

P. D. KASBEKAR,

Chief Controller of Imports and Exports.

